

De Paul University Liberal Studies Program

**Religious Studies 228/Management 228: Business, Ethics, and Society
Autumn Quarter, 1998**

**Class Meets: Tuesdays and Thursdays, 10:10 - 11:40 AM (SECTION 401)
AND 11:50 AM- 1:20 PM (SECTION 402)**

Instructor: Dr. Dennis P. McCann, Department of Religious Studies

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Office Hours: Tuesdays and Thursdays, 1:30- 3:00 PM; All interviews by appointment only.

Course Description:

The course will seek to develop students' awareness of the moral dimensions of business activity within the modern corporation in our society. It will do this by interpreting business cases in light of the ethical perspectives of Western philosophy and the Judeo-Christian religious tradition. Besides the objectives common to all Liberal Studies courses at De Paul, this course will seek to develop students' capacities for critical reflection on the moral values implicit in the institutions of our society and skills in moral reasoning within the horizons opened up by these values.

Expectations of the Student:

(1) Class participation: This course is one in which neither faithful note-taking in class nor an unguided reading of the textbooks will be sufficient for a passing grade. The readings assigned involve actual business cases for discussion, and the bulk of our time in the classroom will be devoted to discussion. Brief informal lecturing will occur only when necessary to provide students with background in basic moral theory and/or clarification of the issues presented in the readings.

Attendance will be taken regularly. Anyone found unprepared to participate in any of the class discussions will be docked a full letter grade. Two or more unexcused absences will result in failure to pass the course.

Class participation will count as 20% of your final grade. It will be based on attendance records, and your own self-evaluation of how much you contributed to the teamwork and class discussions, and the in-class writing assignment done on the first day of class.

(2) Team Case Study assignment: Each student will be assigned to one of five groups, which will prepare a case study for discussion at some time during the course. The groups will be given some class time to get themselves organized, and to work on the case studies, as required. The group grade given for the cases will count as 20% of each student's final grade. Each team will be expected to present the rest of the class, as well as the instructor, with a one page outline at the time the case is presented in class. If any member of the team fails to cooperate with the team, to the extent that the rest of the team finds it necessary to exclude that person, the person excluded will have to do an independent written case study in order to get a grade for this assignment. Failure to do the case study assignment in any form will result in an "F" for the course as a whole.

(3) Midterm and Final Exam: There will be a midterm and a final exam, the format for which will be announced in a Study Guide one week before each exam. The midterm is 10% of your final grade, and the Final 20%. The Final Exam will be cumulative. Their purpose is to monitor your progress in mastering the basic concepts used in the study of business ethics, as presented in the readings discussed in this course. The midterm exam will be held during class time; the final exam will be a take home essay exam.

(4) Research Paper: You will produce an original research study on how any specific business in Chicago defines and enforces its own standards of business ethics. You may choose to study any Chicago business other than the one that currently employs you. As part of your research you may consult any written materials that are available in the library, but you must also visit the business' headquarters, interview at least one manager who can speak officially for their policies, and bring back at least one specimen of company literature on business ethics.

In your written report, you will, of course, detail your field work experience, and attempt to analyze the performance of the company under study, using some of the concepts and/or perspectives developed in the course. For further details consult the memo on field research attached to this syllabus.

All research papers must be typed and double spaced; any paper that is less than 5 complete pages long, will be returned ungraded; any paper that contains more than 4 mechanical errors in English grammar, spelling, or punctuation per page will be returned ungraded. Unexcused late papers will be penalized. Note, for you overachievers:

besides the overall quality of your written English, the difference between an "A" and a "B" or "C" on this assignment will be determined by how well you use the concepts and/or perspectives developed in the course, showing that you can apply them intelligently.

Grading Procedure: You will be evaluated on your mastery of the content of the course, including your capacity to understand and respond to managerial challenges, and your development in the basic intellectual skills involved in value clarification and moral

reasoning. The assigned tasks will allow me to measure your progress as we go along. I intend to weigh them as follows:

Class Participation/Self Evaluation: 20%; Case Studies 20%; Field Research Report 30%; Midterm and Final Exam: 30%. Failure to complete any of the written assignments will result in a final grade of "F" for the course. Plagiarism or cheating of any kind will result in a final grade of "F" for the course.

Grading Standards: You will receive a letter grade for the course as a whole, which is a translation of your numerical average for the four items evaluated. Numerically, A = 90 to 100; B = 80 to 90; C = 70 to 80; D = 65 to 70 F = below 65. You will receive an "FX" if you fail to complete any of the assignments, or if your term paper fails to meet the minimum standards previously stated. You will receive an "INC," if you have negotiated with me a temporary withdrawal from the course; such an option will be granted only in case of some unforeseeable personal emergency.

Qualitatively, this grading scale means the following:

A means "outstanding work," achievement at levels of insight and analysis that are truly exceptional.

B means "good, above average," distinguished achievement beyond the ordinary.

C means "average," the usual result with usual effort.

D means "below average, or barely passable"; normally, a D indicates a serious deficiency that may require remedial work either with this instructor, or with one or another of the support services provided by the university.

F, of course, means "failure."

Each of these grades is strictly a measure of achievement; in no way are they to be taken as a judgment on the student's personal character. Finally, I neither grade on a curve nor consciously practice grade inflation. The grade you get is a mirror of what you produce in this course. Nothing more and nothing less.

Required Textbooks:

John B. Matthews, Kenneth E. Goodpaster and Laura L. Nash:

Policies and Persons: A Casebook in Business Ethics (MGN)

Robert C. Solomon, Above the Bottom Line: An Introduction to Business Ethics (SOL)

Schedule of Readings and Discussions:

September 10: Getting Started I:

Syllabus, Textbooks, Assignments, and Course Overview;

Personal Experience as a Resource for Ethical Reflection

IN-CLASS WRITING ASSIGNMENT: "My personal experience of business ethics": What is your experience in business?

What is your experience of morality in business? As a consumer, as a worker, as a student of life in these times? If you are considering a career in business, do you think that your personal moral standards are compatible with what you expect to find in business?

The main objective of this assignment is to help the student discover that his or her experience and common sense are the most important resources for ethics in business.

EXTRA CREDIT ASSIGNMENT: Your completion of this assignment is worth 5 points on your final grade for the course as a whole. I am working with a colleague at Hong Kong Baptist University, trying to gather data on attitudes toward the custom of gift-giving and its relationship to business practice. My colleague has surveyed students and their parents in both Hong Kong and in Guanzhou in the Peoples Republic o China, but now both of us would like to cross cultural comparison with American business students and their parents. To complete this assignment you must fill out the survey questionnaire, and have your same-sex parent fill out the second copy of the survey questionnaire. Both questionnaires should be completed and returned to me no later than the date of the midterm exam. Remember there are no right or wrong answers to the survey questions; we are interested not in textbook answers but in your truthful opinions independent of any theories presented in this course. Full credit will be given to you as soon as you return both questionnaires. Once all those participating have returned their questionnaires, I will share with you the data that was generated by the surveys in Hong Kong and Guanzhou.

HOMEWORK: Read in the following order: SOL 1-33: "Introduction" and

"Business, Ethics, and the Good Life"; MGN 1-7: "Introduction: The Case Method"

September 15: Getting Started II

Class discussion of student papers on "My personal experience of business ethics"

The reason we will spend a whole class session reading these papers and responding to them is that I hope to build a sense of moral community within this class.

You need to have some idea of what your fellow students are thinking, if you are to work together effectively.

HOMEWORK: Read "Case Study: Levi Strauss Co. in China" (Handout)

September 17: Introducing Business Case Studies:

Class discussion: What is a business case study? What is a business ethics case study? What are the questions that ought to be asked in analyzing it? Why use case studies in learning and teaching about business ethics? Today's class, I hope, will show that any real business ethics case is open to a variety of interpretations. In the real world, ethical issues are rarely cut and dried. You will be encouraged to see the range of possible interpretations, and to consider which might be more promising for further critical thinking.

HOMEWORK: Read McCann memo on case study assignments, the memo on ethics and decision-making in business (HANDOUT);

read MGN 617-624, "Appendix A: Some Avenues for Ethical Analysis in General Management."

September 22: Organizational meeting for Team Case Studies:

Organization of teams for business case study presentations: Each student will be assigned to a team, each team will be assigned a case: teams will meet to organize themselves and begin discussion of the case.

HOMEWORK: Reread McCann memo on ethics and decision-making in business (HANDOUT); read SOL 34-64: "Business Life, Law and Ethics."

September 24: Ethics and Managerial Decision Making

Class discussion: The place of ethics in business: with or against the grain of business practice? The approach in this class will emphasize going with the grain, and therefore will explore an integrated model of ethics in business decision-making. This model, as given in the McCann memo, should be used to structure the analyses developed in the Team Case Study Presentations.

The objective of this session is to learn to use a model of business decision-making in which ethics plays its proper role, and to see how it applies in two different case studies.

HOMEWORK: Read SOL 65-92 and 100-126, "Corporations and Cultures" and "Rules, Roles, and Responsibilities"

September 29: Ethics and Corporate Cultures:

Class discussion: What, if anything, is the moral agenda already built into the structure of a business corporation? Can the culture of a business or economic organization work positively to shape my own developing moral identity? Is this approach anything more than wishful thinking?

The point of this session is to examine in the light of student experience the theory put forward by Solomon (with which I agree, for the most part) that corporate cultures are a significant resource for ethics in business. In order to determine whether Solomon is right about this, we have to see how it could be so.

At stake here is a view of business that is very different from the image typically presented in our entertainment media, e.g., in movies like "Wall Street." Will a different vision of business lead to better business ethics?

HOMEWORK: Read and prepare materials for Group Case Study

October 1: Group Case Study Work:

The groups will meet on their own to finalize preparations their group presentation of the business ethics case studies.

HOMEWORK: SOL 199-241: "Conflicts of Interest and the Meaning of Morality"

October 6: Moral Theory and its Relevance to Business

Class discussion: If business corporations have a morality embedded in their structures, policies, and cultures, how does it relate to the personal moral aspirations of the people who work for the corporation?

The chapter assigned introduces the basics of contemporary moral theory and shows how and why this theory can be used to clarify ethical dilemmas in business.

HOMEWORK: SOL 242-271: "'It's Not My Problem': The Concept of Responsibility": "The Ethic of Responsibility" (HANDOUT)

October 8: The Concept and Practice of Responsibility Class discussion:

This session will continue the discussion begun in the last session, by showing how the insights of moral theory are integrated in a comprehensive concept of

moral responsibility in business. The ethic of responsibility provides the most useful perspective on the moral challenges of business management in today's world.

HOMEWORK: Review SOL, MGN, AND STUDY GUIDE for Midterm Exam

OCTOBER 13: MIDTERM EXAM: (A STUDY GUIDE WILL BE DISTRIBUTED ONE WEEK BEFORE THE EXAM)

HOMEWORK: Read MGN 256-284

October 15: First team case study presentation:

(A TEAM: DAYTON HUDSON CORPORATION)

HOMEWORK: Read SOL 272-312: Chapter 9.

October 20: Business Ethics and Social Responsibility:

Class discussion: Is there a difference between personal responsibility and social responsibility? In the field of business ethics, a sense of social responsibility is usually seen as a response to the ethical expectations of the public at large. Solomon's stakeholder theory tries to take these expectations into account and integrate them into a comprehensive view of business ethics. Our objective here is to understand how all the big picture in which all of these ethical demands and resources interact.

HOMEWORK: Read MGN 128-136: "Duke Power Company and Affirmative Action"

October 22: Second team case study presentation:

(B TEAM: DUKE POWER COMPANY):

HOMEWORK: Read SOL 314-349: Chapter 10

October 27: Business Corporations and Social Justice:

Controversial topics like affirmative action are another reminder of how the agenda for business ethics is shaped by the ethical concerns of society as a whole. The objective of this class is to consider Solomon's view of the relationship between social justice and business ethics, in order to help clarify our own views. This chapter should help you arrive at an informed opinion on affirmative action, whether you are for or against it.

HOMEWORK: Read MGN 593-616: "Dow Corning: Business Conduct and Global Values"

October 29: Third team case study presentation:

(C TEAM: DOW CORNING A & B)

HOMEWORK: Read SOL 350-378: Chapter 11.

November 3: Ethics and International Business:

Cases like the Dow Corning case raise general questions about not only the actual responsibilities of multinational corporations, but also about the universal dimensions of morality as such. The question of human rights is the most commonly acknowledged of these universal dimensions today. But there are other dimensions such as the moral exigencies of market transactions as such. Is there one universal standard of market rationality that demands certain moral constraints on how businesses and their stakeholders deal with one another, particularly in international settings? The objective in this class is understand Solomon's views on businesses working in multicultural or transnational environments where no single legal or political system is a reliable guide to business morality.

HOMEWORK: Read MGN 57-64

November 5: Fourth team case study presentation:

(D TEAM: INTERNATIONAL DRILLING CORPORATION):

HOMEWORK: Read SOL 379-412, Chapter 12.

November 10: Responsibility in the Workplace:

In this discussion we will revisit the calculus of freedom and power, in order to consider the challenge of whistle blowing, when it might be considered, when it is morally required, how to go about it if it becomes necessary. We will examine Solomon's theory of whistle blowing in light of the team case study, and in light of Solomon's own assumptions about corporate loyalty.

HOMEWORK: Read MGN 137-163: "Sexual Harassment: Some See It...Some Won't"; HAND IN FIELD RESEARCH PAPER.

November 13: Fifth team case study presentation:

(E TEAM: SEXUAL HARASSMENT):

HOMEWORK: ; Read SOL 462-516, Chapters 14 and 15.

November 17: Business Ethics and Personal Integrity:

In this our last discussion we will explore the possibilities for leading a coherently or consistently ethical life, with the help of Solomon's theories and observations. Chapter 14 provides additional background on the sexual harassment case, against which we can test our reflections. But issues of sexual identity, appropriate behavior on an off the job, can also open up the broader questions with which Solomon concludes his book in Chapter 15. In reading and discussing this material, the objective is not to memorize Solomon's views, but to use them as a stimulus to critical thinking about our own developing attitude(s) toward life and the place of business within it. Good luck!

HOMEWORK: REVIEW STUDY GUIDE FOR THE FINAL EXAM.

Eleventh Week: THE FINAL EXAM

RS 228: BUSINESS, ETHICS AND SOCIETY DENNIS P. MCCANN

FIELD RESEARCH PROJECT: INTERVIEW

In the field research project, students will produce a report based upon original field research into the ethics of any particular business in Chicago. The only businesses excluded from the pool of potential investigation are those that have ever employed you, or currently employ you.

The syllabus establishes certain guidelines for the project, i.e., the length of the report, its focus, the documentation to be attached to it. In this memo I hope to clarify the nature of the interview(s) you will conduct with the corporate spokespersons whose cooperation with the project you have secured. Such a spokesperson should be someone in a position of responsibility, i.e., a manager who is in a position to answer your questions in behalf of the business, and not just from his or her personal opinions.

While there is no set recipe for this assignment, the following objectives may help you in developing your own questions.

(1) The interview should be about the business ethics of the firm being studied. Business ethics should be understood, as it is in this course, rather broadly. It may include the purpose of the company, its conception of its customers, its expectations of employees, its specific strategies for achieving excellence and/or successful economic performance.

(2) The interviewer should try to draw out the interviewee's perceptions of the moral values implicit in the vision of the business he or she projects in response to your first questions.

This may lead to conversation about the ideals of the business's founders, the history of the business, and whether those ideals are still honored today. It may also lead to examination of any formal statements of business philosophy that the business or its top management have produced: a corporate code of ethics, a statement of purpose, mission statement, or a corporate credo.

The interviewer should probe into the values presupposed in the company's assertions in such documents. What, for example, do they mean by service? Why is it so important? What is its ethical basis?

(3) The interviewer should help the interviewee to focus on a particular area where ethics based upon the corporate culture, examined under number (2), can actually be tested. For example, how does the company communicate its sense of purpose to its employees, is the reward system geared to these values, how is compliance monitored and enforced? Try to get the interviewee to describe a particular case in as much detail as possible, so that you can focus these "how" questions upon it.

(4) Be sure to explain your project to the interviewee, to promise them confidentiality, and to thank them for their cooperation.

(5) Since the report must include appropriate documentation, be sure to request it at the time of the interview.